

29th March 1947]

(b) whether in framing it, the difficulties encountered in giving effect to previous schemes have been taken into account;

(c) whether the question of Government undertaking sinking of wells in areas where the response has not been encouraging has been considered; and

(d) whether the Government will be pleased to place the new scheme on the table of the House?

A.—(a), (b) & (d) The Government have sanctioned a new well-subsidy scheme with effect from 1st March 1947, in supersession of the earlier schemes. In framing it, the difficulties encountered in the working of the earlier schemes were taken into account. Details of the scheme were announced in a Press Note ^a, dated 3rd March 1947. They are laid on the table of the House.

(c) Judging from the number of applications received, the response from the ryots to the Accelerated Scheme was not particularly good in the districts of Tanjore, Malabar, South Kanara, Kistna, Guntur, East Godavari, West Godavari, Madras, and the Ceded districts. The subsidies given under this scheme were not attractive in the Ceded districts. Larger subsidies up to a maximum of Rs. 500 are now given in the Ceded districts. Under the new scheme, it is also proposed to raise the maximum subsidy for wells to Rs. 500 in other areas where conditions similar to those in the Ceded districts exist.

The Government have decided that it is not feasible for them to undertake the sinking of wells for ryots.

[Note.—An asterisk (*) at the commencement of a speech indicates revision by the Member.]

III.—MESSAGE FROM THE ASSEMBLY.

MR. PRESIDENT :—“ I have to announce to the House that the following message, dated Fort St. George, 27th March 1947, has been received by me from the Hon. Speaker, Madras Legislative Assembly :—

‘ In accordance with rule 94 of the Madras Assembly Rules I transmit a copy of the Madras District Municipalities and Local Boards (Amendment) Bill, 1947 (L.A. Bill No. 7 of 1947) as passed by the Assembly on the 27th March 1947 and signed by me for the concurrence of the Council.’ ”

IV.—DISCUSSION ON SUPPLEMENTARY STATEMENTS OF EXPENDITURE FOR 1946-47.

MR. PRESIDENT :—“ Discussion will now proceed on Supplementary Statements of Expenditure for 1946-47. May I know the number of intended speakers. We have to bear in mind that we have only one and a three-quarters hours before us.”

[29th March 1947]

SRI R. SURYANARAYANA RAO :—“ Sir, as the hon. Leader of the Opposition has not chosen to get up, let me say

ABDUL LATIF FAROOKHI SAHIB BAHADUR :—“ Are we to understand that discussion will end at that hour and there will be no more discussion after that.”

MR. PRESIDENT :—“ Quite so.”

* SRI R. SURYANARAYANA RAO :—“ With your permission, Sir, may I also express our sincere sense of gratification on the accomplished fact that after all, this House is being represented on the Cabinet. You may remember, Sir, the hon. Mr. Farookhi gave notice of a resolution on the subject and, before withdrawing it he made a speech indicating the feelings of this House with regard to the representation of its Members on the Cabinet. We thought, Sir, at least after the speech of the hon. Mr. Farookhi, the then Prime Minister would respect the wishes of this House, but to our surprise the next day we found another member of the Assembly was made a Minister. However, we have now been paid not only with compound interest but may I say at usurious rates of interest (Laughter), and we are very gratified that this House is being represented on the Cabinet by three hon. Members. We are more gratified that the Hon. the Prime Minister belongs to this House. That is a request which we did not contemplate to make at any time, and much less did we expect it to fructify. And we are grateful to the Hon. the Prime Minister for having chosen also as his colleagues two members of this House.

“ Sir, you may remember, you have been put to considerable inconvenience for want of a Leader of the House in order to arrange the business of this House. And to-day we are also glad that an hon. Member of this House, who is also a Minister has been nominated as the Leader of the House, so that in future the business of this House may be conducted without much inconvenience to yourself and to the members of this House.

“ Then, Sir, I would like to draw your attention to the procedure adopted in regard to these supplementary statements. I invite the attention of hon. Members of this House to the introductory memorandum written by the Secretary to Government, Finance Department, to which I believe Government are also a party. Sir, the Finance Secretary quotes section 81 of the Government of India Act, and in the course of the memorandum he says, it was only prior to 1st April 1937 supplementary demands had to be presented to the Legislature when the amount voted in the budget for a grant was found to be insufficient for the purposes of the year, or, a need arose for expenditure upon some new service not contemplated in the budget.’ And he also explains, that ‘ in respect of expenditure of the latter class, the practice was to present a demand for a token sum of Rs. 100 if it was found possible to meet the balance of the expenditure by reappropriation from savings within the grant.’ I would like to invite the attention of this House to the words ‘ if it was found possible.’ Now what

29th March 1947] [Sri R. Suryanarayana Rao]

has happened to this supplementary budget which consists of new items, new services and new commitments. The expenditure incurred shown by the Secretary is not correct. The amount given is not a correct figure in the sense it does not indicate the real state of affairs. Now the demand is for Rs. 9,65,61,900. This is not the real demand; this is mostly made up of token sums and if you total up all the items of expenditure you will see the real amount is much more, perhaps, many crores. If only one takes the trouble to tabulate all the sums involved in new services, for which expenditure has been incurred as also in respect of items for which accounts have yet to be made up, the expenditure, you will see, amounts up to many many crores, and not nine crores and odd. I do not think it is fair to the Legislature not to get its previous sanction especially for new services, before they were undertaken. Now, let us see what does section 81 of the Government of India Act, 1935, say :

‘Section 81.—If in respect of any financial year further expenditure from the revenues of the Province becomes necessary over and above the expenditure theretofore authorized for that year the Governor shall cause to be laid before the Chamber or Chambers a supplementary statement showing the estimated amount of that expenditure, and the provisions of the preceding sections shall have effect in relation to that statement and that expenditure as they have effect in relation to the annual financial statement and the expenditure mentioned therein.’

My point is no expenditure ought to have been incurred on new services without bringing it before the Legislature for approval. The Finance Secretary tries to show that ‘except in special circumstances, expenditure on new services is not ordinarily incurred before the supplementary demands relating to them have been presented and voted.’ Here the whole of the supplementary demand, almost the whole of it, I would say, is nothing but expenditure on new services incurred without coming to this House or the other House, and getting its vote. This is a very sorry state of affairs especially when this province is going through a financial crisis. Sir, I have taken trouble to mark all new services in the statement furnished to us; and I find almost all of them are new services. In some cases the expenditure incurred amounts to several lakhs—15, 16 and 20 lakhs, and so on. I shall give a few instances. I will take agriculture. From pages 23-24 of the memorandum you will see a sum of Rs. 22,67,000 has been spent in purchasing pumps, tractors and jeeps, etc. I do not know for what purpose these were bought, where they are now and how they are being utilized, God only knows. What was the policy of Government in purchasing them has not been explained. Did they get the sanction of the Legislature before they spent such a large sum of money? Sir, there are certain items of expenditure incurred simply because the Government of India had promised a half grant for them. Sir, unless we feel there is a necessity for such new services, it is wrong policy on the part of Government to incur expenditure on them simply because we are eligible for a half grant on them from the Government of India. In doing so, I submit, they have violated section 81 of the Government of India Act, 1935. Now, what we are doing is all ‘post-mortem

[Sri R. Suryanarayana Rao]

[29th March 1947]

examination. There are many items in which policies are involved. It would have been fair to the Legislature if at least a resolution had been moved or a token grant of Rs. 100 moved and obtained its sanction. If that had been done, then, members of the Legislature might have offered their remarks, and it would have enabled Government to alter any item of new service before they had incurred expenditure.

"Then, Sir, there is a fairly large sum of money spent on the producer-cum-consumer co-operative societies. It is a new service; it involves a new policy which had not received the approval of the Legislature here or there. Then there is the resettlement of ex-service men. I am told these various schemes of resettlement of ex-service men have not borne much fruit. Sir, large sums are involved in them. I do not know whether there is anybody or any method by which these various schemes that are put forward involving expenditure on a large scale have been scrutinized, or if the advice of experts competent to express an opinion was taken. In this connexion I am reminded of a story. One Collector of a district was invited to visit a poultry farm; he was very reluctant to do so; but he was prevailed upon to visit it. He went there and found, there were no eggs at all. So he entered in the visitors' book the following: 'There have been more visitors than eggs.' Sir, it looks the same thing with regard to the resettlement of ex-service men. It looks as though there are more institutions for ex-service men than enough ex-service men taking advantage of the facilities. The other day His Excellency the Governor visited a resettlement colony in North Arcot, and as reported in the press, he found the response was very disappointing though Government have planned to spend lakhs of rupees on these colonies. In the words of His Excellency, 'Only a handful of people have come forward.' It is up to us to see that various schemes for ex-service men should be made attractive so that they may be induced to take advantage of them.

"Now I come to industries. As we have no power to discuss demands, the only way in which we can express our views on them is by conveying our remarks to Government now in office, so that whatever might have happened in the past, at least in future sufficient care may be taken, when new services are undertaken by Government. Here are two classes of officers appointed. What are they called? They are called authorized controllers of textile mills and Assistant Inspecting Textile Commissioners. These are new services for which no provision has been made in the budget, and yet expenditure is incurred on them without the consent of the Legislature. We are perfectly willing to concede that these officers are necessary in regard to the textile policy of the Government and of the Government of India so that the consuming public may not suffer. I remember the other day in reply to a question in the Legislative Assembly the then Industries Member gave out some qualifications required for these textile officers, and how they had to appoint them in pursuance of the policy decided. I think, at a conference of Ministers of Industries that was held at Delhi. Textile is a difficult subject; even those

29th March 1947]

[Sri R. Suryanarayana Rao]

of us who are interested in textile mills do not know what warp and weft are. To administer control orders of a highly technical nature we expected men with sufficient knowledge of textiles would be appointed. I am told most of them know hand-spinning. But, Sir, hand-spinning and hand weaving are two quite different things. You may remember, Sir, in a supplementary question I brought to the notice of the then Minister for Industries how an Inspecting Assistant Textile Commissioner threatened to cancel the licence for yarn of weavers because they were engaged in preparatory processes necessary before yarn is put on the looms simply because he did not find the yarn on the looms. I have heard another story and it is worth while repeating. When an Assistant Inspecting Textile Commissioner went to a weaver, he complained that though he had indented for a bundle of forty's he had been given two bundles of twenty's. Thereupon, the officer replied 'Why, you have been given two twenty's; twenty plus twenty makes forty; so you have got forty's which you wanted.' (Laughter.) Sir, this betrays the knowledge these officers have on textiles.

"I think, Sir, the sooner these posts are abolished the better. They will be neither good for the people nor will they be able to discharge their duties satisfactorily. I am sure, as I said in the Budget debate, the Collectors must be finding they are more a hindrance than help in carrying out their duties. But they dare not express this being Government servants. I wish, Sir, that this thing is looked into. 12 noon.

"Sir, I invite the attention of the House to page 29. For development of cottage industries, look at the amount of money budgeted here. I would like hon. Members to read item 9 on page 29. The recurring cost of the scheme will be, after making certain deductions Rs. 29.75 lakhs and the non-recurring cost will be Rs. 14.56 lakhs. Sir, these are not small amounts. My hon. Friend Mr. Farookhi and I have been complaining that you have deprived the school children of a free mid-day meal and now you are pursuing plans of a chimerical nature, without obtaining results by carrying on experiments in certain selected areas. This is a huge amount, Sir, and I wish this Government brought forward a detailed scheme and obtained the sanction of the House. Simply a paper is put on the table of the House and they say: 'We have supplied it.' Of course a printed scheme was given to us. But no motion was made. Unless a motion is made nobody can criticise the Government. All that we can do is to send up questions and get elucidation of the various points. This huge amount is being spent like this while the poor children are being starved. Sir, I do not mind cottage industries being encouraged. By all means give all possible help. In fact I earnestly plead for them. But there also I see more officers have been employed than more industries started. I do not blame hon. Members of the Treasury Bench who sit there to-day though some of them formed part of the previous Government. I would like them all to take some personal interest when any new proposal is brought forward.

"Sir, I am pleased that for the first time now there is a separate Minister for Finance. All these things have happened because Finance and other subjects in which a particular Minister

[Sri R. Suryanarayana Rao] [29th March 1947]

was interested were in one hand. Sir, the Minister for Finance is like a watch dog. He can scrutinize every item of expenditure and I beg of him, Sir, to take charge of the Finances of this Province and not allow anybody to fritter them away as I find. I must regretfully say, in this supplementary statement. I have never come across any Government coming forward with supplementary estimates on the 29th or 30th of March, just a day previous to the end of the financial year, involving crores of rupees. It is unthinkable, Sir, that a popular Government should have done this. They may as well say: 'We are Fascists, we will carry on. We have a large majority. We can do whatever we like and get approval afterwards.' One who goes through these lists of expenditure will be horrified. I am sure the Hon. Ministers now in office will not take up such an unreasonable attitude.

"Another thing which I would like to bring to the notice of the Hon. Finance Minister is to let the excess amounts spent on grants already received to be shown separately from the amounts intended for new items. Sir, they are all mixed up so that one has to go through this volume very carefully to find out which is a new service and which is an old service on which a larger amount has been spent. The Finance Secretary says that prior to 1st April 1937, they were giving them. Simply because the Congress Government came into office in 1937, why was it given up? This is a system which is good for all whereby the Government can place all its cards on the table and allow anybody to criticise and be benefited by such criticism as is given. Sir, this excess amount spent in respect of grants already made and the new services are all jumbled up together so that a man has to spend days to find out which is a new service and which is an old service on which an excess amount has been spent. I wish, Sir, the Hon. the Finance Minister takes note of this humble suggestion of mine and I also hope, Sir, he will exercise due care in the future and will not allow departments to proceed with new schemes unless he has scrutinized them and is satisfied about their practicability, utility and value.

"I would like the Hon. Finance Minister to see pages 37 and 43. In page 37, you will see 'Amount transferred from 85-A—Capital Outlay on Provincial Schemes of State Trading Schemes.' Sir, the amount put down is Rs. 6,62,25,000. But on page 43 a small token grant of Rs. 100 is put against each item and if you count the amounts involved in these items they come to crores on account of payment of subsidy to ryots, on account of rice and millet, and so on. I would like to know what the difference is between reference to trading schemes in Grant XXXI and that in Grant XXXVIII. May I take it that one is outright expenditure whereas the other is Capital Outlay on State Trading, some of which may come back and most of which may not come back. But for the present the expenditure is treated as an investment likely to be returned, though without interest, after the accounts are made up. You will be surprised, Sir, that a huge amount to the tune of Rs. 61 lakhs has been spent on dehydrated potatoes. I do not think most of us had occasion to eat dehydrated potatoes. It is a huge amount and why such a large amount was spent and

29th March 1947] [Sri R. Suryanarayana Rao]

how the distribution was made, all these things are not given in detail and no facts are mentioned. I hope the Hon. Minister for Finance will see that the Administration Reports of all these spending departments are separately issued together with the accounts.

"Then again, Sir, a sum of Rs. 27.60 lakhs has been spent on the purchase of gunnies. I do not mind if purchases have to be made in order to maintain the population. I do not mind any amount of expenditure. But we would like to know how the Hon. Minister for Finance will reconcile this statement on page 43 and with that on page 37. If in one case it is outright expenditure and in another case it is only an outlay from which he expects to get back something in course of time, let him say so though we are constrained to think that even that will be ultimately an expenditure amounting to many crores.

"I have nothing more to say, Sir, except to point this out and making a request to the Hon. Finance Minister to be so good as to see that the statements given to us, lay men, are in a form that we may be able to understand in what respects the amounts are excess grants and what amounts are intended for new services. Secondly, this system of putting token sums of Rs. 100 and to get the approval of the Legislature afterwards is all right, as it is stated here, if it is possible to meet the balance of the expenditure by reappropriation from savings out of the sanctioned grant. But if it is a new service, I would like, though even cases where it is possible to meet the cost by reappropriation, the Hon. Finance Minister to insist on the Hon. Ministers concerned to table a motion asking for a token sum giving at least an approximate amount of the expenditure involved in undertaking expansion of existing services or that of new services. Sir, I have made these suggestions in no critical spirit. It is the Finance Secretary's memorandum that prompted me to look into these matters and I found that several crores are involved in this supplementary demand. I would also like the Hon. Minister for Finance to show us some consideration and to come up with supplementary demands as and when they are required and not to put them off till the end of the year."

* K. UPPI SAHIB BAHADUR :—"Mr. President, Sir, when I opened this supplementary budget the same idea which my hon. Friend, Mr. Suryanarayana Rao gave expression to, also struck me. This is rather not the work for a Legislature. I found that this is a report to the Public Accounts Committee rather than to the Legislative Council, because on most of the items they have spent—and some of the amounts were very large—and it is only an attempt on the part of the Government to go through the technicalities of the law. Sir, they have hidden under these few pages so many items which as my hon. Friend said involve commitments for crores of rupees. My hon. Friend Mr. Suryanarayana Rao has in his own way pointed out to this House how this Government is attempting to swindle, no Sir, to deprive this House and through this House the public of the Madras Province to the tune of hundreds of crores. Mr. President, in short, I feel that to discuss this supplementary budget is only a waste of energy and a waste of public money and waste of everything, because most of the items . . ."

[29th March 1947]

SRI S. B. ADITYAN :—“ Did I hear the hon. Member say, Sir, that the Government was attempting to swindle and are the hon. Members who represent the Government listening to it? Am I wrong when I say that I heard him say that the Government was trying to swindle? ”

THE HON. SRI B. GOPALA REDDI :—“ He corrected himself immediately, Sir.”

MR. PRESIDENT :—“ I thought he himself was not conscious of it.”

K. UPPI SAHIB BAHADUR :—“ If I have in any way dropped from my mouth some words that would be disparaging this House, I am very sorry for it, Sir. It is only a slip of the tongue in the course of my statement.”

MR. PRESIDENT :—“ The hon. Member does not know you as I do.”

* K. UPPI SAHIB BAHADUR :—“ What I was saying is that the Government should give respect to this House and the House should not be treated as it has been treated in this supplementary demand.

“ Sir, I have been going through the items in regard to industrial development. There are so many items in it that I do not want to detain the House by detailing them. Members can read that. There are so many items and so many new services the results of which even this Government, even though they may differ from us, do not know. Sir, I am doubtful about the results. On such occasions it is the duty of the Government to take this House into their confidence and bring such matters before the House and give the House and the representatives of the people an opportunity to discuss and decide. My hon. Friend Mr. Suryanarayana Rao has put the whole thing in a very lucid and clear manner. I do not wish to mar the effect of that on the Government. My request to the present Finance Minister is that he will look into all these things and if necessary scrap some of the items for which there are demands for which we are automatically going to consent or rather as the old adage says, silence will be taken for consent. Sir, we are not able to speak on each item of the demands and so he will take it that we have granted. Anyhow, Sir, he has got a great responsibility to the people of this Province and I think he will work hard and find out whether public money is not wasted. With these words, Sir, I am done.”

12-15
p.m.

* DR. V. K. JOHN :—“ Mr. President, Sir, this supplementary demand for expenditure in the current year is a confession in print that the Government had no mind of its own and no plan of its own when the original estimates were prepared. They were then pre-occupied with non-administrative matters and they have now come forward with a supplementary demand for grants for expenditure. The Hon. Minister has thought fit to introduce these demands for grants without a speech explaining the various

29th March 1947] [Dr. V. K. John]

items. Perhaps he will explain them later on. I should like now to confine myself to one or two items only as many items have been dealt with by other speakers.

" Sir, it is a very dangerous thing for Government to enter into schemes of state trading. On page 43 of this memorandum, we find figures of enormous losses on account of state trading. I have always thought, Sir, that retired Government servants and lawyers should never enter business because they always lose. I am convinced that Ministers are persons who will lose more."

MR. PRESIDENT :—" I hope you are safe from that failing!"

* DR. V. K. JOHN :—" I never entered business. I have seen my friends entering business and losing. The real truth is that by training by up-bringing and by habits, Ministers, Government officers and professional men are incompetent to carry on trade or business. It is better left to person who are trained up in business. If we look at the various items under the heading ' Capital Outlay on Provincial Schemes of State Trading ', we find that there has been colossal loss on state trading. One should have expected the Government to make a loss, but not such a colossal loss of about five crores. Payment of bonus to ryots for the early delivery of the surplus from short-term crops involved an expenditure of Rs. 255.18 lakhs. The previous Ministry—I hope the present Ministry will not follow that example—was a ' control ' Ministry. It introduced many pieces of legislation to control every aspect of man's life. We have to-day an Act in force under which a person can be detained or externed or interned, a search made, the press gagged or confiscated without resort to a court of law. When the Government had so much power, it is atrocious that they should have given away Rs. 255 lakhs of the tax-payers' money as bonus. This amount went to somebody and we might console ourselves that after all that it went to the agriculturists. But, Sir, look at the enormous loss due to sale at reduced rates in Malabar and South Kanara of defective quality Sind raw rice which amounts to Rs. 2,33,500. Then there is another item, ' Loss due to sale of Balasore boiled rice at reduced rates ', but the actual amount of loss is not given. Then under ' Wheat and Wheat Products ' there is a loss of Rs. 100 lakhs incurred on the subsidized sale of maida. It is atrocious that the Government without any experience should go into trade and on one item alone lose Rs. 100 lakhs, instead of handing over the business to the usual trade channels. The loss incurred on the subsidized sale of overseas millets is Rs. 7 lakhs odd. There is also another item of a loss of Rs. 61.03 lakhs due to sale at subsidized rates of dehydrated potatoes manufactured and imported on Government account. Reference was made to this by the previous speaker. It is quite possible that the present Members of the Government are not responsible for these losses incurred in state trading. I request them to go into the matter very very carefully and see whether it is the function of the State, whether it is advantageous for the

[Dr. V. K. John]

[29th March 1947]

State and whether it is proper for the State that crores of rupees of the tax-payers' money amounting nearly to one-tenth of the total revenues should be given away or written off as losses on account of state trading. When we have businessmen who can carry on trade without much loss, I cannot understand why Government without any experience of trade should take up this job on themselves and lose crores of rupees amounting to one-tenth of the revenues of the Province. I say, Sir, it is atrocious, it is a great injustice to the tax-payer, and as has been already pointed out by the previous speakers, it is very regrettable that these supplementary demands for expenditure should have been made.

"Then Sir, I want to refer to another item where the Government are losing money on socio-political experiments. I want to draw your attention to the scheme for the opening of training and demonstration units for the development of cottage industries in selected firkas in the Province as a part of the Firka Development Scheme. The scheme is said to involve an expenditure of Rs. 14.56 lakhs on non-recurring items such as equipment and construction of sheds and recurring expenditure of Rs. 29.75 lakhs annually on staff, raw materials, maintenance of canteens, contingencies and grant of stipends. Sir, this is a socio-political experiment and the tax-payers' money is thrown away not only in capital expenditure but also in recurring expenditure on this scheme. The tax-payer is not paying his taxes for the Government to spend in any manner they like. Sir, I must particularly draw the attention of the House to the expenditure on staff. I should like, if possible, that the Hon. Minister when he replies gives us some idea, a rough idea of the appointments made by the previous Prime Minister, by the previous Government, during the last 11 months. Appointments of a temporary and permanent nature may be included in his statement. I suggest, Sir, that thousands and thousands of appointments have been made without any reference whatsoever to the Public Service Commission. Sir, if there is one weakness in any Government, it is the desire to exercise patronage. For the purpose of exercising patronage, public money is drained away in trading concerns and socio-political experiments. Sir, it is very wrong on the part of the Ministry to do so. I would like the Hon. Minister to give us some idea of how many appointments were made on salaries from Rs. 50 a month. I am sure, Sir, the public, the hon. members of this House and you, Sir, will be surprised at the number of appointments made by the last Government. I submit, Sir, the establishment charges alone would come to very much. The Government of a country should be run in accordance with some plan. The very introduction of these demands shows that Government had no plan of their own. We have read, Sir, of there being a method in madness, but, as far as the expenditure detailed in these demands is concerned, I do not find any method. I submit, Sir, it is a very wrong on the part of the Government to have introduced these supplementary demands without in many cases giving the actual amounts and in many cases mentioning a token sum of

29th March 1947] [Dr. V. K. John]

Rs. 100 only. Without a plan and without ideas, they spend away crores of rupees on trade which they are incompetent to carry on and also on socio-political ideas which are not shared by the tax-payers generally in the Province. I ask the Government to go into these matters now that we have a new Government, go into every item thoroughly and check it before the expenditure is incurred."

SRI A. GOVINDACHARYULU :—" Mr. President, I wish to say a few words"

MR. PRESIDENT :—" I hope they will be really few. We have only got half an hour for all the other members."

SRI A. GOVINDACHARYULU :—" I shall take as little time as possible. Sir, in the supplementary demands for grants, I am sorry to say that neither principles of public finance nor the well-known methods adopted in the preparation of a budget have been observed. A supplementary demand can be moved only for a particular purpose which has been mentioned in the original demand. Supplementary demand should not cover expenditure for a purpose which has not been mentioned in the original budget. As my hon. friend Mr. Suryanarayana Rao has already said, the demand for crores of rupees in this supplementary budget goes against the fundamental principles of public finance. Anyhow since this expenditure has already been incurred under the authority of the Government, there is no other alternative for this House except to accept the demand. If we analyse the expenditure incurred, we will find that much expenditure has been incurred on things on which it ought not to have been spent and nothing has been spent where it ought to have been spent. For instance, there are two colleges managed by Government in Andhra Desa out of 11 Government Colleges in the whole Province. For nine long months, I am told that the Rajahmundry College was run without a Principal. It seems the Government asked the college to admit more students in the science classes, but no lecturer or demonstrator was appointed. That is a kind of expenditure which we should have seen in a supplementary grant. For admissions to colleges take place in the month of June and so they cannot visualise exactly what expenditure they may have to incur later on. That is the kind of expenditure which we can expect in a supplementary demand. Such things were not done. In fact, I am glad to see that the Annamalai University is given more funds. As a representative of this House on the Senate of the Andhra University, I must say in an unequivocal manner that that University is treated in a step-motherly manner. Huge funds for the promotion of education in Andhra Desa are given by zamindars, and we are now out to confiscate them. I do not know how the colleges will be run hereafter. The Government may have to take charge of them. The two colleges in Andhra Desa are not treated well. For instance, a site was purchased some years back to construct buildings for the Rajahmundry

12-30
P.m.

[Sri A. Govindacharyulu] [29th March 1947]

College near the Government Museum. What happened to it? Is there any proposal pending for the construction of buildings for this ancient Rajahmundry College? Nothing is found in the supplementary statement of demands for grants about it.

“ At the tail end of the year, drainage channels in the Kistna and Godavari districts get silted up and they have to be cleared. Every year Government have been incurring loss of crores of rupees on account of remissions on lands submerged by water. Neither the Government nor the ryots benefit thereby. Government lose revenue and ryots lose paddy. Unless the drainage channels are cleared of the silt, the cultivators will not prosper. This is the time to provide funds for the clearance of silt, but we do not find any provision here. Only a few hundreds of rupees have been provided for expenditure on capital outlay.

“ Since the time at my disposal is short, I will refer to only one knotty problem, and that is the producer *cum* consumer co-operative societies, about which much has been said. In this supplementary budget, we find large expenditure under that head. From the very starting of these societies, none of the legislators in the districts of Guntur, West Godavari, East Godavari and Kistna were consulted in the matter. They were not even supplied with the details of the scheme before its inauguration. To-day we find sitting in the Visitors' Gallery many important ryots of our district, every one of whom has come here to represent to the Food Minister to abolish these unwanted and unnecessary societies. (Hear, hear.) I represent at least most of the ryots, if not all the ryots. I say these societies are neither producer societies nor consumer societies. The shareholders of these societies are neither producers nor consumers in the real sense.”

MR. PRESIDENT :—“ We have heard about these societies from the hon. member in the course of the budget discussion. So, he need not go into the matter again.”

SRI A. GOVINDACHARYULU :—“ I would like to say only a few words more on this. Yesterday many ryots, along with some legislators, waited on deputation on the Hon. Food Minister seeking some relief from the hardships caused to the ryots on account of the societies' inability to purchase paddy from them. This I would like to tell you with all the emphasis at my command. To-day, in West Godavari, the rate of interest has shot up to 3½ per cent. It is because the societies are unable to purchase paddy, and consequently the ryots are unable to sell. But the ryots have necessarily to pay land revenue and meet their expenditure. Where can the small landholders of my district go? They are driven to the necessity of borrowing money from money-lenders. They execute pro-notes at 3½ per cent, borrow money and pay land revenue. Is this the way to treat the ryots in the name of societies said to have been introduced for their benefit?

29th March 1947] [Sri A. Govindacharyulu]

The Hon. Food Minister is not here. With due respect I say that he should at least suspend the operation of these societies. Yesterday some legislators and big ryots requested him to issue orders to suspend their activities at least for the present and allow the ryots to sell in the open market. I heard that the Government had already issued such orders in respect of Guntur and Vizagapatam districts. We request the Government to issue similar orders in respect of West Godavari district forthwith, and relieve the suffering of the ryots."

* K. T. M. AHMED IBRAHIM SAHIB BAHADUR :—
"When the last budget was introduced by the then Hon. the Premier, we opposed certain items on fundamental principles. These supplementary demands have justified in full the view of the Opposition. First of all, we were against the Government embarking on trading schemes. As has been pointed out by my friends, crores of rupees have been lost in state trading schemes. I would like to point out the loss to Government of Rs. 61.03 lakhs in the purchase and sale of dehydrated sweet potatoes. We do not know how this loss has occurred.

"Even on the last occasion we pointed out specific instances of huge losses to Government on account of the deputation of inexperienced revenue officials to purchase foodgrains. One such instance now is the loss of about Rs. 2,33,500 due to the sale at reduced rates of defective quality Sind raw rice. The loss incurred on the subsidized sale of maida alone is about one crore of rupees. Then there is loss in respect of groundnut toffee which unwilling people were forced to purchase. Do not these instances point out that the principle of the Government embarking upon trading schemes is fundamentally wrong? Government must take advantage of the experience of people who have been in the trade for generations. On account of their throwing these traders out of employment and entrusting the work to inexperienced revenue officials, they are now faced with these huge losses. I would appeal to the present Minister to take note of this fact and consider whether the time has not yet come for a reversal of the policy pursued by the Government during the past one year. Even within one year, we are faced with a loss to the tune of so many crores. If the Government continue and develop this policy, we will have to lose many more crores, and the Province will be heading towards bankruptcy. The Hon. ex-Premier in his budget speech quoted an observation by a French economist, and it applies more aptly to the present supplementary demands.

"Again, we were against the pet obsession of the Congress, namely the Khadi scheme. It was repeated *ad nauseum* that the people were for Khadi and that they were putting into effect the will of the people. At page 28 of the supplementary statement of demands for grants, it is said :

'Under the scheme, arrangements will be made for the training of weavers and spinner and for the supply of charkas, carding and slivering equipment at cost price and of guts at one-third of the cost price. A sub-

[K. T. M. Ahmed Ibrahim Sahib Bahadur] [29th March 1947]

sidy at 4 annas per square yard will be given to self-spinners on the quantity of cloth woven for the consumption of the spinner's family. The expenditure on the scheme during 1946-7 is estimated at Rs. 21,44,342 and the receipts at Rs. 12,96,232. The ultimate expenditure is estimated at rupees one crore and the receipts at Rs. 94.5 lakhs per annum. Only the amount spent on the subsidy and on training courses, viz., 5.5 lakhs per annum, will be a loss to the Government.

I cannot understand the figures. I remember a statement regarding this scheme was placed on the table of the House sometime ago. I tried to analyse it, and even then I was faced with the same difficulty. It is impossible to understand that there will be a loss of Rs. 5.5 lakhs only per annum. Even according to the above statement there will be a loss of about 9 lakhs during 1946-47. The Congress wants to put into effect its pet scheme. If the Government are convinced that the people are for it, then why should they suffer any loss at all? Why should they give a subsidy of four annas per square yard and sell equipment at cost price? If the people are for it, allow the Khadi scheme to develop and allow the mills also to develop side by side. That is the only way to remedy the present cloth scarcity. From the way in which the Ministry have been doing things, I am sure they are not going to remedy the scarcity. You want to shut out the mills. You want to throw away the spindles allotted to this Province by the Government of India. If I am right this Ministry is prepared to revise the policy of the previous Ministry only to the extent of allowing the allotted spindles to come into this Province, and they are not prepared to fight for further allotment of spindles. Is that the way to meet the present scarcity of cloth? I say: Certainly not. As has been repeatedly pointed out, the Khadi scheme is not going to solve the cloth scarcity. Further, in item (v) at page 18, I find: 'In order to encourage the study of Hindustani, the Government have directed that provision should be made for the teaching of the language in Forms II to IV in all secondary schools in which the language is not now taught. It is a surprise thrown at us. At the time of the last budget, nothing was mentioned about the introduction of Hindustani in the schools. Whether it is through Hindi script or Urdu script, I do not know.'

THE HON. SRI B. GOPALA REDDI:—"Hindustani in both the scripts."

12-45
p.m. K. T. M. AHMED IBRAHIM SAHIB BAHADUR:—"In having both scripts, I must point out one great hardship which is being imposed on Urdu Munshis recently. The Government have issued an order that every Hindustani Munshi should know both the Arabic and Devanagiri scripts with the result that experienced Urdu Munshis are thrown out and in their places so-called Graduates or certificate-holders of the Hindi Prachar Sabha of Mambalam are being appointed. Will they be able to teach Urdu properly? This is a matter which I would like to request the Ministry to consider seriously. This will not solve the problem. If both the

29th March 1947] [K. T. M. Ahmed Ibrahim Sahib Bahadur]
scripts are taught in this manner, eventually Urdu will be eliminated and all boys will be compelled to learn Hindi in Devanagari characters.

" This item of expenditure is lugged in along with so many other items of expenditure. This shows that the House is not treated properly. The Government know what amount of opposition there has been in the Province ever since the last Ministry thought of introducing the scheme. Still this item of expenditure is lugged in along with many items even though the question was actually raised on the floor of this House. Is that the way to treat this House? Is it fair on the part of the Ministry to initiate policies in that way without even the knowledge of the House?

" There is another point with regard to Education. The Government must provide for instruction in B.A. class in the Brennen College, Tellicherry. This is long overdue. People in the West Coast are put to great difficulties. No provision has been made even in these supplementary estimates in respect of this matter. I know report was called for from the Director of Public Instruction and the same has been received by the Government from the Director. Still we find no provision is made in these supplementary estimates in respect of the matter. I want to emphasize the urgent necessity of opening B.A. classes in the said college in 1947-48."

* SRI N. RANGA REDDI :—" Sir, I should like to make a few remarks with regard to the supplementary demands. But before doing so I would like to correct the impression created by my hon. friend, Mr. John, with regard to the State's trading policy. The whole question involves the function of the State. What is the function of the State? Is it only keeping law and order in the Province? Or is it to keep all the people of this Presidency in proper health"

MR. PRESIDENT :—" The hon. member will finish his speech in five minutes. The Hon. Minister has to reply."

* SRI N. RANGA REDDI :—" I shall take ten minutes, Sir.

" Is it only to keep law and order in this Presidency or to keep all the people in the Presidency in good health and in good condition? What is the function of the State? Is it only to be a Police State? My hon. friend was saying that the State should no engage itself in trade. The question of loss and gain does not at all arise in the case of activities of the State. Only in the case of private individuals dealing in certain commodities, the question of loss and gain does arise. In the case of the State, there is no question of loss and gain. The Government is interested in the welfare of the people of this Province. On account of inflation, the poor man is not able to purchase his food, his cloth and some other things. As a matter of fact hon. members may be aware that even fuel is subsidized in Madras. The Government purchase fuel at a higher cost and sell it at a lower cost so that the ordinary poor man can

[Sri N. Ranga Reddi] [29th March 1947]

live in Madras. Prices have gone up. My hon. friend feels that this function should not be exercised by the State at all. When the ordinary trade channels are not able to supply necessary materials, it is absolutely necessary that the State should step in and see that the ordinary man is supplied with all the necessary materials. When doing so, the State supplies some facts and figures of expenditure; you come to the conclusion that there is loss. Is it not so, Sir? I give you concrete instances. There are the hospitals; the poor, the sick and the indigent are treated in the hospitals; so much money is spent in every hospital. Is it a loss to the State? What is lost in one direction is gained in another direction. That is the way you have to look at the matter. It is not a Police State only.

" I do not know whether there are plans for preparing our budget. We have to see that the budget is prepared not for one year but for, say, 10 years. I would go to the extent of saying that the budget should not be spread for one year but for a longer period. You should have some sort of planning and see that moneys are spent from that point of view. The so-called loss that has been incurred by the Government is due to the fact that figures has to be budgeted at the end of every year.

" I wish to say a few words with regard to the agency to work the Prohibition Act. It has been decided that the Police and the Excise departments should work the Prohibition Act. I would submit that it is rather difficult to get a correct picture when the work of Prohibition is entrusted to Police as well as the Excise departments. The Excise department is inadequately staffed and inadequately equipped. It has not got its own buses; the Police people have got buses. The Excise officials want the help of the Police when the former have to go on raiding work. If the District Superintendent of Police helps, it is well and good. If not, the Excise officials will be put to great difficulties; they will not be able to discharge their duties satisfactorily. The Excise officials do not command as much respect as the Police. When this work is entrusted to the Police, it would appear that the Act is being worked successfully; when it is entrusted to the Excise officials, it may appear to be unsuccessful. I would suggest that it should be either the Police or the Excise department; let us have only one agency; let us not have two agencies; then only we will get a correct picture. It does not matter if it is the Excise department; let us have only one.

" My hon. friend said that so much money is spent by some departments unnecessarily. I join issue with him. So far as the ameliorative side is concerned, Deputy Registrars of Co-operative Societies is placed at the head of the department in each district. Two or three Deputy Tahsildars have been appointed under him; they have no work they want to say they are doing something. Practically they are not doing anything. It is waste of money. With regard to the village welfare work, some money has been spent; some people have been recruited for doing the work. What

29th March 1947] [Sri N. Ranga Reddi]

I would like to say, it is not enough if people are appointed to particular posts. The villagers will appreciate if something is being done; they have to see that something is being done by way of laying roads, sinking new wells, construction of better houses, irrigation channels, etc. Now what the Government have done is they have appointed certain people and they have made no provision for undertaking any work and showing to the people that they are really doing something for the welfare of the people. Unless money is given to the Firka Development Officers to enable them to carry on their work, it will be waste of money to continue them. If you are not able to give more money for these people, you may abolish the Firka Development officials.

"I find that some Polytechnic centres have been opened in the Presidency. I submit, Sir, that Rayalaseema has been completely neglected in this matter. One must have been opened for Rayalaseema. When facilities for Collegiate Education are asked, they say money is not available. When you are starting Polytechnic centres, you might have started one at least for Rayalaseema. These Supplementary Estimates are asking for new services also. The Government could have established a Polytechnic Institute for Rayalaseema."

* MRS. MONA HENSMAN :—“ Sir, in view of the shortness of the time before me I shall take only 4 or 5 minutes. While bringing forward these extra items of expenditure which have been incurred during the past year, the Government have in so many ways increased the Budget. They have been lavish in other ways and increased the expenditure connected with administration but they could have done the same in the case of Education also, and this might well have been one of the channels by which expenditure might have been lavishly and extravagantly increased. Certain items have been brought up for supplementary or extra expenditure incurred. The Government might have incurred extra expenditure for an increase of salaries to teachers, for the betterment of boys and girls in schools and colleges, for more staff, for better hostels, etc., throughout the Province for those who are now studying in schools and colleges. If extra expenditure had been incurred on such things, it would have been worth while. By saying this, I do not impute motives to all those on the Treasury Bench who have brought forward estimates for extra expenditure. But it is surely a shame to this Province that we have not spent more money on Education. We have not got the highest percentage of literacy, because Travancore and Cochin have already claimed a higher percentage. The Treasury Bench may in the near future bring forward some Supplementary Estimates for Education, although they are not able now to include some items of expenditure in the annual Budget. I would ask your indulgence to bring forward at an instance of what is lacking, certain defects in the Queen Mary's College, the Premier Women's College in this Presidency. The dining rooms and kitchens of that college are not in good condition. Hon. Members of the House should come and see them. Then . . . ”

[29th March 1947]

MR. PRESIDENT :—" The best way is to invite hon. Members of this House for a dinner party in the College."

MRS. MONA HENSMAN :—" Yes, Sir, and then the hon. Members will see how the floor of some of the rooms are lower than the steps leading up to them, and if they are washed, the water cannot be drained. Some rooms are low and dark; they would have been old-fashioned in the time of Akbar and of William the Conqueror of England. We have got to-day students in the College between 200 and 300 without any proper rest rooms for them, without tiffin rooms and other conveniences. I take this as instance. We can multiply such instances with regard to other Government Colleges in the Presidency. I know Government has not got much money but is it not worthwhile that we should spend money on these schools, colleges and teachers, the backbone of the nation. I am aware that labourers also uphold the name of the country, but educational institutions uphold the fair fame of the nation too. We are not one-sided, nor are we one-track minded. We are not monomaniacs but we have to see what is happening elsewhere. It comes to this: that if there is going to be trouble, if groups of people say they will not deliver letters if they are not given a fair living wage, we have to give them what they fight for. And if those whose duty it is to uphold law and order in this Province press their claims and have them recognised by the stand they take, we honour them for the stand they take. We are not for any strike, but for a firm stand that convinces those against them. There are honest men and women in this Province who are teachers who are not able to bring their pitiable condition to the attention of the Treasury Benches. They cannot voice their grievances to the children whom they teach, nor to the parents of those children. If you spend lavishly on other matters, does it matter if you incur some necessary expenditure for the teachers, for their salaries and allowances in Government-Aided and private schools?

1 p.m.

" Because, Sir, I repeat that the teachers are the backbone of the nation. I am aware that workers and labourers are the backbone of the nation, but teachers who are also the backbone of the nation have not been fairly treated and their mouths are closed, because of their culture and because of what we have taught them what is right to do. I would therefore ask the Treasury Bench to understand and realise the present needs of the teachers and not sit like the frog of the Aesop's Fable which nearly burst, without knowing the outside world, and see how far the salaries of this group could be supplemented immediately. To meet the present cost of living, teachers must be paid a minimum salary of Rs. 30 + 22 and Rs. 70 + 30 (in the case of high school teachers) per mensem. Nothing less than Rs. 52 per months will be a fair living wage for a teacher now, and I appeal to the authorities in question to allot the necessary amounts for this branch of national service as well as for administration."

* ABDUL LATIF FAROOKHI SAHIB BAHADUR :—" Mr. President, I must thank you, Sir, for giving me double the time."

29th March 1947]

MR. PRESIDENT :—“ I should be glad if you will finish your speech in half the time.”

* ABDUL LATIF FAROOKHI SAHIB BAHADUR :—“ We are glad, Sir, that we have more members of this House occupying the Treasury Benches than what I myself either wished or anticipated. We are also glad, Sir, that one of our Members is the Premier of this great Province. Perhaps in no other Province, after the advent of the present Reforms, has a member of the Upper House become the Premier. Perhaps this is the first instance. Sir, of course my hon. Friend Mr. Suryanarayana Rao has given expression to the views of most of the Members on this side of the House and of course my hon. Friend Mr. Uppi Sahib has also given a very deserving complement to the gentleman. Such gentlemen are really assets for any Legislature.

“ Now, Sir, he has pointed out that a resolution was sought to be moved on the floor of this House with regard to the feelings of this House, that members of this House should become Ministers. Now the object why such a resolution was sought to be moved was that this House ought to occupy a place which it really deserves. I want to bring, Sir, to the notice of the hon. Members on the other side, and particularly to the new Ministers that this spirit has to be observed and maintained; and in observing this spirit, the fundamental thing that they should keep before their minds is that the gentleman who is the spokesman of the whole House should be allowed to occupy a place which he really deserves, by which I mean that his status should in no way be less than that occupied by the Speaker of the Assembly from the point of view of emoluments. Sir, on many occasions, I along with other members, brought to the notice of this House that the President—I am not referring to you, Sir, personally—must be given a salary which is equal to the salary of the Speaker.”

THE HON. SRI K. MADHAVA MENON :—“ May I point out to the hon. Member that a Bill to this effect is already coming.”

MR. PRESIDENT :—“ Whether it comes or not, I am sorry, you are losing your time.”

* ABDUL LATIF FAROOKHI SAHIB BAHADUR :—“ No, Sir. I am pressing a very important point. I want to bring to the notice of the House that large sums of money have been provided in the supplementary demand and therefore when such large sums have been provided, I feel that it is necessary that the Hon. Ministers on the other side should understand the real feeling of the Members on this side of the House that the salary of the President is a very important item. I am glad and I am thankful to my hon. Friend Mr. Madhava Menon for having given us the assurance that a Bill is coming. I know that a Bill was circulated and it is there for a long time. I want to bring home to the Minister that there is no use in putting off this Bill. Of course this Government will have to take the responsibility for what the other Ministry has done and I know they are taking. As a matter of fact, this, supple-

[Abdul Latif Farookhi Sahib Bahadur]

[29th March 1947]

mentary budget is only the legacy of the previous Ministry, but for which all this extravagant expenditure would not have found a place in the supplementary demand. It is therefore no use saying that a Bill is coming. I should like to impress upon the Ministers that the Bill must come immediately, and no time should be lost with regard to this. That is point No. 1.

“ Well, Sir, the Hon. Premier is a very good friend of ours; there may be reasons why he did not become the Leader of the House, but we are glad my Hon. Friend Dr. Rajan is there, a gentleman with great experience and who was also the leader previously.”

MR. PRESIDENT :—“ He is away on some urgent business; he took my leave to go.”

ABDUL LATIF FAROOKHI SAHIB BAHADUR :—“ I do not blame about his absence, Sir. I was simply saying that he is the Leader of the House; but we all wished that the Premier should have been the Leader of the House. Anyhow, we are satisfied that Dr. Rajan is there.

“ Now, Sir, what has Dr. Rajan said this morning with regard to the health of the people? He said that measures are being taken to keep up the health of the people from deterioration. But now that he has become a Minister, this time, as usual, he was evading a very important question. He did not state, until a supplementary question was put to him, that from the 1st of April, midday meals to poor children is going to be stopped. When there is so much of expenditure, lavish expenditure, fabulous amounts are being spent on quite unnecessary items, is it not just on the part of the Minister to see that these poor children are given at least one mid-day meal so that they may attend school and maintain their health, without getting deteriorated? Therefore, Sir, I should like the Minister in charge of Education who is not also here, to see that this midday meal to children is not stopped.

“ Then, Sir, I should like to bring one other important point to your notice, and that is, if there is a change in the Ministry in any Government, whether in this country or in any other country, that change is brought about on account of some fundamental difference in policies. I should like to point out that such difference in policies must be maintained, without which there could be no justification of any new Ministry taking the place of the previous one. Let me tell the present Ministry that the policy pursued by the former Ministry was the cause of its downfall and one of the important items of its policy was its textile policy. I do not want to take much of the time of the House on this question. You are already fed up with the producer-cum-consumer co-operative societies. But as regards the textile policy, I was able to elicit an answer to a supplementary question from the Hon. Leader of the House, Dr. Rajan, that the Khadi policy of the previous Government will be maintained. Sir, if all the policies of the previous Government are to be continued, I do not see any reason for these

29th March 1947] [Abdul Latif Farookhi Sahib Bahadur]

hon. Gentlemen to sit on the Treasury Benches. I would therefore like the Hon. Minister to see that no restriction is placed upon the installation of mills. (Interruption.) Whatever assurance my hon. Friend Mr. Madhava Menon has given somewhere else, I want this assurance to be given on the floor of this House, namely that there will be no restriction hereafter on the installation of new mills and also on the mills already existing."

DR. V. K. JOHN :—" The newspaper reports are not correct."

ABDUL LATIF FAROOKHI SAHIB BAHADUR :—" I do not know anything about the reports that appeared in the newspaper, but I should like to be assured that on no account should the people be deprived of the cloth.

" Then, Sir, there is on page 7 of the Supplementary Demand, an item with regard to betting. Sir, my complaint has been, and still is, that the Government publish Bills, circulate Bills—I do not want to say anything about their intention—but those Bills do not see the light of day, after some time. A Bill has been published with regard to betting. There is a genuine suspicion in the minds of the people that some of the present Ministers are fond of encouraging races, that some gentlemen are also stewards or might have been stewards. Let not this suspicion be confirmed in the minds of the people that on account of their zeal for betting, they are not going to stop betting altogether. I am sure the Bill will see the light of day very soon.

" Another point I want to refer to, is this. I have seen in this morning's papers that the present Government has proposed to increase the salaries of the City police constables. I congratulate them on their move and I wish that they give effect to their decision."

MR. PRESIDENT :—" Please leave it at that, and do not make any suggestions."

* ABDUL LATIF FAROOKHI SAHIB BAHADUR :—" I do not make any suggestion, Sir, but what I say is that if the contemplated increase is due to the rise in the cost of living, then the cost of living has increased all-round in the whole Province, and even in villages too. Therefore, that increase should apply to all other services too not only in the City but in the mufassal as well.

" With regard to the staff of the Legislature, I have to say one word. I have seen them working from morning till late at night. Therefore, Sir, their cases too should be considered and their pay also should be increased.

" My last point is this, Sir. It is a very important one, and it will be interesting to the House to hear it. There is a complaint, Sir, that the claims of women have not been recognized by the present Ministry. I wish that one of our lady Members becomes a Minister. (A voice : It is from this House?) Whether it is from this House or from the other House, it does not matter. If the complaint is from this House, then it must be taken as a complaint

[Abdul Latif Farookhi Sahib Bahadur]

[29th March 1947]

from the Province, because we represent the whole Province. Therefore, I think the Hon. the Premier will bear this in mind and see that women are given their rightful place, and that a convention is established, that if there is a Lady Minister from the other House, there must be another Lady Minister from this House also." (Laughter.)

* Mr. K. O. ANTHONI :—“ Sir, I shall not take more than five minutes.

1-15
p.m.

“ The restriction that you are placing on us in this House with regard to time in making our remarks on this supplementary budget is a tribute to this House. That shows that this House is very keen on offering its remarks on the supplementary budget; and since almost all the points have been covered, I have only to make one or two remarks.

“ With regard to prohibition, we see that a big allotment has been included in this supplementary budget. The extra cost (ultimate) on account of the pay and allowances of the staff, contingencies, etc., debitable to this head works out to about Rs. 9,50,000 per annum recurring and Rs. 2,26,700 non-recurring while the cost in 1946-47 comes to Rs. 5,89,400. As Dr. John said in referring to this matter, there are some in this House who are not intellectually convinced of the utility of the socio-political experiments of the Government; and we see that large sums are being spent on the staff for enforcing these policies. It is only fair to this House, Sir, that we should be given a report on the progress of these schemes. Unfortunately, excepting the propaganda carried on by certain officers connected with the prohibition department, I have not seen any report on the subject. I note that my hon. Friend Mr. Daniel Thomas has been promoted to the region of prohibition. I hope he will take steps to see that the progress made in this direction will be made known to us. (The Hon. Sri B. Gopala Reddi : ‘ He is also in charge of Excise ’.) Does that mean that the one cancels the other, Sir?

“ Then again, I must join hands with Dr. John in commenting upon the large expenditure incurred by the Government in creating appointments and spending the taxpayers’ money. I think that a good deal of the trouble that was caused to the late Government was due to this multiplication of appointments and the patronage that was connected with it. But that is not my concern just now. I would like the Finance Minister to whom a tribute was paid by my hon. Friend Mr. Suryanarayana Rao, to see that the tempo of new appointments is curtailed. As I said in my budget speech, there must be a certain percentage of the revenues spent on services and within that limit I should expect the Government to set themselves as an ideal employer and give a living wage to the low-paid staff. I see that no attempt is yet being made by the Government to give such a wage to the staff. That there is considerable discontent in regard to this problem is evidenced by the fact that we are getting threats from almost all services. So I

29th March 1947] [Mr. K. O. Anthoni]

should like that this Government gives its attention to this problem as well as to the problem of examining the necessity of maintaining the staff in the new appointments that have been made.

"One word, Sir, about Parliamentary Secretaries. I note that an extra allotment has been asked for because the number of Parliamentary Secretaries was increased from 13 to 14. We have time and again asked the Treasury Benches as to what the duties of these Parliamentary Secretaries are, and I find that the Parliamentary Secretaries have been given personal clerks. Some Ministers have been given Personal Assistants in the place of personal clerks also. What all these differences are, and why Personal Assistants have been given in the place of personal clerks, we do not know. Nor do we know what the personal clerks of these Parliamentary Secretaries are doing. I hope, Sir, the Treasury Bench will enlighten us on the duties that the Parliamentary Secretaries are doing. They have not been appointed now, I understand. With regard to these Parliamentary Secretaries, I hope we will be enlightened on their duties before they are appointed."

"Sir, I thank you; I shall not delay the House any longer."

THE HON. SRI B. GOPALA REDDI:—"Sir, I am very thankful to the hon. Members of this House for the various constructive criticisms they have made with regard to the supplementary demand for grants. I am particularly thankful to Mr. Suryanarayana Rao for pointing out some of the so-called mistakes which this present supplementary demand contains. Sir, while I am new to the job, I can assure the hon. Members that I will certainly be the watchdog of the finances of the Government of Madras; and I want you, Sir, and the members to be equally the watchdogs of the finances of the Government. Whether I am here, whether you are there, it makes very little difference as long as we are all interested in the better government of the Province. I want my friends to realise that last year was an exceptionally bad year for any Government. After seven years of Advisers' regime, after a terrible devastating war and when the food situation was very gloomy in the Province, the Government came into office. Had they come into office early enough to frame their own budget, had they presented the budget themselves and taken this House into their confidence, things perhaps would have been different. But, as you are aware, they had to accept the Advisers' Government's Budget as it was. They had come into office by the end of April and they had very little time to frame their own budget and formulate their own policies. So, I want the members to remember the time at which they came into office and the situation in the Province also at that time with regard to food and cloth. I for myself was feeling very despondent, Sir, when my leaders took up office by the end of April—how they were going to tackle this food problem. South India was affected very badly and we are thankful that not one individual died of starvation in our Presidency. I will be failing in my duty if I do not pay my own compliment to the Prakasam Ministry for the way in which they handled the food situation and saved the Province

[Sri B. Gopala Reddi] [29th March 1947]

from starvation (Hear, hear). If now we have presented this supplementary demand for Rs. 9 crores and odd, it is rather unusual. It is because, as I said, they could not envisage many things when they formulated their own budget perhaps in the month of June or July—I do not remember exactly the month. Anyway, food alone is responsible for nearly six crores or so. Hon. Members are perhaps already aware, but I may just read out some of the items :

‘ Payment of bonus to ryots for the early delivery of the surplus from short-term crops, represented Rs. 255.18 lakhs.

Loss incurred on the subsidized sale of maida amounted to nearly Rs. 100 lakhs.

Loss incurred on the subsidized sale of overseas millets came to about Rs. 7.11 lakhs.

Loss due to sale at reduced rates in Malabar and South Kanara of defective quality Sind raw rice, amounted to about Rs. 2.34 lakhs.

Subsidy to meet the extra cost incurred in respect of the movement of 20,000 tons of paddy and rice from the Northern Circars to Malabar, about Rs. 5 lakhs.

Purchase and sale of dehydrated potatoes. Rs. 61.03 lakhs.

Purchase of gunny bags for packing food-grains. Rs. 27.60 lakhs.’

Other items are subsidized sale of Balasore boiled rice, additional staff, additional staff for the purchase and distribution of firewood, etc. All these items are under the Food Department. But for the huge sums spent, I am sure the province would not have been saved from the terrible effects of famine. The Government had to rush imports from Brazil and Argentine, from Sind and from Balasore and they had also to purchase gunny bags, so that they could facilitate the transport of rice to the devastated areas. So, Sir, all these alone represent Rs. 6 crores and odd. As regards well and other things, under the “ Grow More Food Campaign ” they had to incur a lot of expenditure. There was also another important thing; just immediately after the war, the situation in the province was so very dismal with regard to labour trouble, and with regard to the services, that the Government when they presented the last Budget, could not visualize how the Government services were going to react to the new Government because of the post-war period. Whoever expected, Sir, that the services in the Secretariat would stage a “ staying in ” strike—I do not know what it is—and press their demand for increased salaries on the Government? Whoever expected that the police in the City and elsewhere would demand increased salaries and say that if it was not given to them in proper time, they would go on a symbolic strike or some such thing? So, the situation all round was very gloomy and the Government had to take prompt steps to see that these things were sanctioned immediately and thus save the situation from terrible consequences. All these must be borne in mind, Sir, before the Members can criticise how this expenditure of Rs. 9 crores and odd came to be omitted when the last Budget was presented. I do not want to go into other questions that were raised by hon. Members; they had enough time to discuss the policy of the Government for full four days when the original Budget was presented

29th March 1947] [Sri B. Gopala Reddi]

to them and all the criticisms levelled at the original Budget or at the supplementary Budget will be borne in mind by the Government. And God willing, with the full co-operation of all the Members and of all the sections in the Legislature, the Government will be able to carry out some of the programmes adumbrated in the old Budget and also which they are contemplating to frame in the near future. I am also aware how the salaries of teachers are very much on the horizon now and something has to be done with regard to the salaries of teachers. But only recently, the Cabinet Sub-Committee made some recommendations; we have to examine them thoroughly and see also how the provincial finances may be augmented so that we can meet this legitimate demand of increased salaries for teachers. I am fully sympathetic to the demand, and let us see what we can do with regard to that.

“ Sir, Mr. Suryanarayana Rao has raised a very pertinent point with regard to the way in which the supplementary demands have been presented. He wanted that the House should be taken into confidence by a resolution moved by the Government just before incurring expenditure. Sir, I would like that the Government should be treated with some little compassion and leniency in this matter. It is not a University body where the Vice-Chancellor or the Syndicate will go before the House and ask the leave of the House for increased expenditure on a particular item if it is not already provided for in the Budget. It is not a district board or a taluk board where at every turn the president has to come before the board and seek the sanction of the board.

“ Sir, when a Government has to function, when it is in charge of law and order, when the services have to be placated, when the policemen have to be pleased and labour strikes have to be prevented and when prohibition has to be enforced, we want immediately some staff and things like that. Government cannot wait for the House to be summoned so that it can move a resolution and get their approval. Sir, I want the Government to be treated with some leniency. When the Government represents the majority party, it also means that these Members of Government are the representatives of the people as long as they are on the Treasury Benches. That is the democratic position. Government must be assumed to be the trustees of the finances of the Government and that they incur reasonable expenditure and discharge their duties properly and efficiently. So, we must draw a distinction between the University bodies and other local bodies. You must allow Government to incur this expenditure at the end of the year because there is the Public Accounts Committee, there is the Upper House and there is the Lower House and all these will certainly bang the Government if they go wrong. So, Sir, it is up to you to point out the mistakes but the Government must be allowed a free hand with regard to expenditure during the course of the year on all new services and all new items where the amounts are insufficient and also for meeting the immediate exigencies of the times. It has been the practice not only of this Government,

1-30
p.m.

[Sri B. Gopala Reddi] [29th March 1947]

Sir, but the Government of India also. The Government of India, when they want to meet any supplementary expenditure, do not come before the House and it is only laid upon the table at the end of the year for discussion. It is a sort of post-mortem examination. Government must be trusted to deal with such items as new services and if the allotment made in the Budget is not sufficient, they should also incur additional expenditure. That has been the practice. I am glad, Sir, my hon. Friend, Mr. Suryanarayana Rao, has raised it in a question also and it is coming shortly before the House when the position will be further explained. In this matter, we are not following any bad precedent. It has been the practice from 1937 when the first Congress Ministry was in office. I have nothing more to say except to ask for the fullest co-operation of the Members in trying to keep a watch over the finances of the Government and I hope the Members will guide us by co-operating with us so that unnecessary expenditure can be curtailed. I am aware that during the Advisers' regime, many new departments and many new services were added on to the existing services."

MR. K. O. ANTHONI :—" During the previous ministry also."

THE HON. SRI B. GOPALA REDDI :—" All these items can very well be examined. Let us not forget that we have passed through a terrible war period and the Advisers, whether they are responsible or not, had to take certain responsibilities in maintaining the so-called King's Government and they had, in their own way, added several new departments.

" With regard to the co-operative societies, Sir, Mr. Govindacharyulu referred to them in very strong terms, but may I just tell him that these co-operative societies are going to be financed by the Madras Provincial Co-operative Bank. They have asked for some help from the Government and the Government also is willing to finance them. I am sure that the Madras Provincial Co-operative Bank will immediately sanction the loan applications of these societies so that they may immediately purchase the grain. But just now these societies are at a standstill because they have not got enough money but the Provincial Co-operative Bank will soon come to their aid and I am sure things will go on smoothly as we expect them to go. I can say nothing more about these co-operative societies. It is the policy of the Government to examine these societies frequently and to correct them if they go wrong. Government will also see whether these societies do the right thing by the producer and the consumer. They must be given all encouragement.

" Sir, as regards State Trading Schemes, the Government has to give good subsidies because there a scarcity of things like agricultural implements, etc. The poor ryots have to be given facilities and they must be given these implements at reduced or concessional rates. So, we have to incur some expenditure to meet that loss. Though it is not an actual loss for the Government

29th March 1947] [Sri B. Gopala Reddi]

because it is an investment, for the time being, it is a loss to Government if there are no sale-proceeds. That will be shown in the next Budget. So let us not condemn these schemes straightaway. These schemes depend upon the Government because they cannot incur the whole expenditure.

“ Sir, the other matters mentioned by the hon. Members will certainly be borne in mind and I am very thankful for the very valuable criticisms offered on the supplementary budget demands.”

MRS. MONA HENSMAN :—“ On a point of information I did not wish to interrupt the Hon. Minister when he was speaking. I am grateful to the assurance that he has given that teachers are to get increased amounts. Does it mean that until financial additions are made and additional taxes are put, the increased amounts will not be given or that the teachers will be given a priority under the already drawn up Budget so that they might come out of it before any financial adjustments are necessary? ”

THE HON. SRI B. GOPALA REDDI :—“ Just now, Sir, I am unable to give any assurance to the hon. the Lady Member because that subject comes under the Education Department. We shall certainly consider the matter and examine the financial aspects involved.”

MR. PRESIDENT :—“ The House stands adjourned till 5-30 this evening.”

(The Council re-assembled at 5-30 p.m.)

V.—ANNOUNCEMENT *RE* MEMBERSHIP OF THE HOUSE COMMITTEE.

MR. PRESIDENT :—“ The hon. Mr. R. B. Theobald has resigned his Membership of the Legislative Council. Consequent on his resignation he ceases to be a Member of the House Committee to which he was nominated by the President. Another Member must be nominated. I, therefore, nominate Dr. V. K. John in the place of the hon. Member Mr. Theobald.”

VI.—ANNOUNCEMENT *RE* PANEL OF CHAIRMEN.

MR. PRESIDENT :—“ Consequent on the resignation of the Hon. Mr. K. Madhava Menon, who has gone over to the Treasury Bench, from the panel of Chairmen, I nominate the hon. Member M. Narayana Rao Garu, to be on the panel of Chairmen.”

VII.—THE MADRAS DISTRICT MUNICIPALITIES AND LOCAL BOARDS (AMENDMENT) BILL, 1947 AS (PASSED BY THE ASSEMBLY.)

MR. PRESIDENT :—“ The Hon. Minister for Local Administration.”

* THE HON. SRI K. CHANDRAMOULI :—“ Mr. President, Sir, I beg to move—

‘ That the Madras District Municipalities and Local Boards (Amendment) Bill, 1947 L.A. Bill No. 7 of 1947) as passed by the Assembly be taken into consideration.’